



3015 (02-09-04)

ANNUAL REPORT

OF

Name: GRESHAM MUNICIPAL WATER AND SEWER UTILITY

Principal Office: P.O. BOX 50
GRESHAM, WI 54128

For the Year Ended: DECEMBER 31, 1997

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: GRESHAM MUNICIPAL WATER AND SEWER UTILITY**Utility Address:** P.O. BOX 50
GRESHAM, WI 54128**When was utility organized?** 1/1/1955**Report any change in name:****Effective Date:****Utility Web Site:**

Utility employee in charge of correspondence concerning this report:

Name: LORETTA PLESHEK**Title:** BOOKKEEPER**Office Address:**P.O. BOX 50
GRESHAM, WI 54128**Telephone:** (715) 787 - 3244**Fax Number:** (715) 787 - 1313**E-mail Address:**

Individual or firm, if other than utility employee, preparing this report:

Name: KERBER ROSE AND ASSOCIATES SC**Title:****Office Address:** KERBER ROSE AND ASSOCIATES SC115 EAST FIFTH STREET
SHAWANO, WI 54166**Telephone:** (715) 526 - 9400**Fax Number:** (715) 524 - 2599**E-mail Address:**

Are records of utility audited by individuals or firms, other than utility employee? YES

Individual or firm, if other than utility employee, auditing utility records:

Name: KERBER ROSE AND ASSOCIATES SC**Title:****Office Address:** KERBER ROSE AND ASSOCIATES SC115 EAST FIFTH STREET
SHAWANO, WI 54166**Telephone:** (715) 526 - 9400**Fax Number:** (715) 524 - 2599**E-mail Address:****Date of most recent audit report:** 3/31/1997**Period covered by most recent audit:** 1996

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: WILLIAM E HEBERT**Title:** SUPERINTENDENT**Office Address:**

P.O. BOX 50

GRESHAM, WI 54128

Telephone:**Fax Number:****E-mail Address:**

Name of utility commission/committee: UTILITY COMMITTEE

Names of members of utility commission/committee:

NORMAN DARLING

RICK GIESE

DENNIS READY

Is sewer service rendered by the utility? YES**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.077 of the Wisconsin Statutes?** YES**Date of Ordinance:** 1/1/1955**Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)?** NO

Provide the following information regarding the provider(s) of contract services:

Firm Name:**Contact Person:****Title:****Telephone:****Fax Number:****E-mail Address:**

Contract/Agreement beginning-ending dates:**Provide a brief description of the nature of Contract Operations being provided:**

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	103,029	101,665	1
Operating Expenses:			
Operation and Maintenance Expense (401)	66,181	74,293	2
Depreciation Expense (403)	25,657	24,798	3
Amortization Expense (404)	0		4
Taxes (408)	5,317	4,524	5
Total Operating Expenses	97,155	103,615	
Net Operating Income	5,874	(1,950)	
Income from Utility Plant Leased to Others (412-413)	0		6
Utility Operating Income	5,874	(1,950)	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0		7
Nonoperating Rental Income (418)	0		8
Interest and Dividend Income (419)	373	474	9
Miscellaneous Nonoperating Income (421)	0		10
Total Other Income	373	474	
Total Income	6,247	(1,476)	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0		11
Other Income Deductions (426)	0		12
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	6,247	(1,476)	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	0	490	13
Amortization of Debt Discount and Expense (428)			14
Amortization of Premium on Debt--Cr. (429)			15
Interest on Debt to Municipality (430)	0		16
Other Interest Expense (431)	425		17
Interest Charged to Construction--Cr. (432)			18
Total Interest Charges	425	490	
Net Income	5,822	(1,966)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	93,852	95,761	19
Balance Transferred from Income (433)	5,822	(1,966)	20
Miscellaneous Credits to Surplus (434)	3,021	2,057	21
Miscellaneous Debits to Surplus--Debit (435)	2,000	2,000	22
Appropriations of Surplus--Debit (436)	0		23
Appropriations of Income to Municipal Funds--Debit (439)	0		24
Total Unappropriated Earned Surplus End of Year (216)	100,695	93,852	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Amount (b)	
Revenues from Utility Plant Leased to Others (412):		
NONE		1
Total (Acct. 412):	0	
Expenses of Utility Plant Leased to Others (413):		
NONE		2
Total (Acct. 413):	0	
Nonoperating Rental Income (418):		
NONE		3
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
INTEREST ON CASH AND INVESTMENTS	373	4
Total (Acct. 419):	373	
Miscellaneous Nonoperating Income (421):		
NONE		5
Total (Acct. 421):	0	
Miscellaneous Amortization (425):		
NONE		6
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		7
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
LACAL AND SCHOOL TAXES WAIVED	3,021	8
Total (Acct. 434):	3,021	
Miscellaneous Debits to Surplus (435):		
SANITARY SEWER CHARGES TO VILLAGE FORGIVEN	2,000	9
Total (Acct. 435)--Debit:	2,000	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		10
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
NONE		11
Total (Acct. 439)--Debit:	0	

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	27,116	0	75,913	0	103,029	1
Less: interdepartmental sales	433		555	0	988	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	351				351	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:					0	6
Revenues subject to Wisconsin Remainder Assessment	26,332	0	75,358	0	101,690	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	1,114,780	1,110,514	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	379,315	353,658	2
Net Utility Plant	735,465	756,856	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0		5
Other Investments (124)	0		6
Special Funds (125)	0		7
Total Other Property and Investments	0	0	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	24,902	24,016	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0		10
Customer Accounts Receivable (142)	13,274	10,973	11
Other Accounts Receivable (143)	2,161	2,161	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	0		14
Materials and Supplies (150)	1,103	896	15
Prepayments (165)	0		16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	41,440	38,046	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0		18
Extraordinary Property Losses (182)	0		19
Other Deferred Debits (183)	12,125	14,550	20
Total Deferred Debits	12,125	14,550	
Total Assets and Other Debits	789,030	809,452	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	4,526	4,526	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	100,695	93,852	23
Total Proprietary Capital	105,221	98,378	
LONG-TERM DEBT			
Bonds (221)			24
Advances from Municipality (223)	0		25
Other long-Term Debt (224)	0		26
Total Long-Term Debt	0	0	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	18,375	27
Accounts Payable (232)	5,015	11,825	28
Payables to Municipality (233)	33,742	36,534	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	0	12	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	38,757	66,746	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0		34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	0		36
Total Deferred Credits	0	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	645,052	644,328	38
Total Liabilities and Other Credits	789,030	809,452	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
Plant Accounts:					
Utility Plant in Service (100)	209,828	882,541	0	0	1
Utility Plant Purchased or Sold (391)					2
Utility Plant in Process of Reclassification (392)					3
Utility Plant Leased to Others (393)					4
Property Held for Future Use (394)		22,411			5
Construction Work in Progress (395)					6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	209,828	904,952	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	68,348	310,967	0	0	9
Total Accumulated Provision	68,348	310,967	0	0	
Net Utility Plant	141,480	593,985	0	0	

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT

Depreciation Accruals (Credits) during the year:

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	Sewer (c)	(d)	(e)	Total (f)	
Balance first of year	64,219	289,439			353,658	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	3,615	22,042			25,657	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	514	(514)			0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	4,129	21,528	0	0	25,657	13
Debits during year						14
Book cost of plant retired					0	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	0	0	0	0	0	19
Balance End of Year	68,348	310,967	0	0	379,315	20
Composite Depreciation Rate?	Yes	Yes				21
If yes, what is the rate?	2.00%	2.39%				22

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant				0	1
Other (specify):				0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)				0	3
Net Nonutility Property	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)
Balance first of year	1
Additions:	
Provision for uncollectibles during year	2
Collection of accounts previously written off: Utility Customers	3
Collection of accounts previously written off: Others	4
Total Additions	<u>0</u>
Deductions:	
Accounts written off during the year: Utility Customers	5
Accounts written off during the year: Others	6
Total accounts written off	<u>0</u>
Balance end of year	<u><u>0</u></u>

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)
Electric Utility						
Fuel for generation					0	1
Other					0	2
Total Electric Utility					<u>0</u>	<u>0</u>

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	749	896	2
Sewer utility	354		3
Gas utility			4
Merchandise			5
Other materials & supplies			6
Total Materials and Supplies	<u>1,103</u>	<u>896</u>	

**UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT
(ACCTS. 181 AND 251)**

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				1
Total			<u>0</u>	
Unamortized premium on debt (251)				2
Total			<u>0</u>	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	4,526	1
Changes during year (explain):		
NONE		2
Balance end of year	4,526	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
-------------------------------------	----------------------------------	--	----------------------------------	---

NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)
--	----------------------------------	--	----------------------------------	---

NONE

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year		1
Accruals:		
Charged water department expense	3,881	2
Charged electric department expense		3
Charged sewer department expense	1,314	4
Other (explain):		
NONE		5
Total Accruals and other credits	5,195	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	2,052	7
PSC Remainder Assessment	122	8
Other (explain):		
PROPERTY TAX EQUIVALENT	3,021	9
Total payments and other debits	5,195	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE				0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
NONE				0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
NONE				0	3
Subtotal	0	0	0	0	
Notes Payable (231)					
NOTE PAYABLE	12	425	437	0	4
Subtotal	12	425	437	0	
Total	12	425	437	0	

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	109,328			535,000		644,328	1
Add credits during year:							
For Services						0	2
For Mains	362			362		724	3
Other (specify):							
NONE						0	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	109,690	0	0	535,362	0	645,052	
Amount of federal and state grants in aid received for utility construction included in End of Year totals	25,131			419,864		444,995	6

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	2,637	5
Electric		6
Sewer (Regulated)	10,637	7
Other (specify):		
NONE		8
Total (Acct. 142):	13,274	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
ASSESSMENT RECEIVABLE WATER AND SEWER MAIN	2,161	11
Total (Acct. 143):	2,161	
Receivables from Municipality (145):		
NONE		12
Total (Acct. 145):	0	
Prepayments (165):		
NONE		13
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		14
Total (Acct. 182):	0	
Other Deferred Debits (183):		
1996 WATER TOWER FUND PAINTED	12,125	15
Total (Acct. 183):	12,125	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Payables to Municipality (233):		
DUE TO ELECTRIC UTILITY FOR OPERATING COSTS	33,742	16
Total (Acct. 233):	33,742	
Other Deferred Credits (253):		
NONE		17
Total (Acct. 253):	0	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include property held for future use or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service	206,947	0	883,288	0	1,090,235	1
Materials and Supplies	822	0	177	0	999	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation	66,283	0	300,203	0	366,486	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	109,509	0	535,181	0	644,690	6
Other (specify):					0	7
Average Net Rate Base	31,977	0	48,081	0	80,058	
Net Operating Income	(7,208)	0	13,082	0	5,874	8
Net Operating Income as a percent of						
Average Net Rate Base	-22.54%	N/A	27.21%	N/A	7.34%	

RETURN ON PROPRIETARY CAPITAL COMPUTATION

1. The data used in calculating proprietary capital are averages.
2. Calculate those averages by summing the first-of-year and end-of-year figures for each account and then dividing by two.

Description (a)	Amount (b)	
Average Proprietary Capital		
Capital Paid in by Municipality	4,526	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	97,273	3
Other (Specify):		
NONE		4
Total Average Proprietary Capital	101,799	
Net Income		
Net Income	5,822	5
Percent Return on Proprietary Capital	5.72%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

4. Estimated changes in revenues due to rate changes.

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Contributions in Aid of Construction (Account 271) (Page F-17)

Line 3, For Mains - Correction of account balance. The mains were installed in a prior year. At the time the contribution in aid of construction was paid the account code distribution in the general ledger was misposted. No mains were added in 1997.

FINANCIAL SECTION FOOTNOTES

Identification and Ownership (Page iv)

Report filed manually by utility. Revised to conform to system, keyed & edited by PSC staff.

5/12/98

PJL

Current audit in progress.

June 4, 1998

Ms. Loretta Pleshek, Bookkeeper
Gresham Municipal Water & Sewer Utility
P.O. Box 50
Gresham, WI 54128-0050

Re: 1997 Analytical Review DWCCA-2410-PJL

Dear Ms. Pleshek:

The Public Service Commission (Commission) is in the process of completing an analytical review of your utility's 1997 annual report. The purposes of an analytical review are to detect possible reporting or accounting related errors and to identify significant fluctuations from established trends in reported data not sufficiently explained in the annual report. It is our hope that our review will supply information that will enable us to better provide guidance to your utility regarding proper utility accounting and the preparation of future annual reports. In order to complete this review, we request the following information:

1. As of today's date our office has not received a response to our letter of August 18, 1997, regarding our review of your 1996 annual report. Please provide your response to that letter at this time.
2. Please provide the number of meters tested during the year, column (g) of the Meters Schedule on page W-16.
3. During our review, we noted that while you report 12 meters as added during the year in column (c) of the Meters Schedule on page W-16, you do not report any additions during the year for Account 346, Meters, in column (c) of the Water Utility Plant In Service Schedule on Copy 2 of page W-8. Please explain and provide all related annual report corrections.
4. The footnote that was written on the bottom of our copy of page S-5 was unreadable. Please provide a readable copy of page S-5.
5. The Commission is now using a computerized system to build an annual report database. It is, therefore, important to have a complete and correct

FINANCIAL SECTION FOOTNOTES

annual report. The following changes have been made in our copy of your annual report. Please confirm these changes or indicate the necessary corrections:

Page

Lines

Column

Reported As

Should Be

F-1 22 b & c (2,000) 2,000

F-4 2 d blank 555

F-4 2 f 433 988

F-4 4 b & f Blank 351

F-4 Rev. Sub. Wis. Rem. Assessment b 26,683 26,332

F-4 Rev. Sub. Wis. Rem. Assessment d 75,913 75,358

F-4 Rev. Sub. Wis. Rem. Assessment f 102,596 101,690

F-7 13 b 68,348 4,129

F-7 13 c 310,967 21,528

F-7 13 f 379,315 25,657

F-20 1 b 4,596 4,526

F-20 Tot. Ave. Prop. Cap. b 101,869.5 101,799

W-2 Tot. Sales of Water c 1,082 12,667

S-9 1 c & g 20 252

S-9 2 blank

We appreciate your cooperation in providing the above information. These recommendations are intended to provide accounting assistance and should not be construed as criticisms of utility personnel. If you have any questions, please feel free to contact me at (608) 267-9198. Please respond within 30 days of this letter. If we have no questions regarding your response, you can consider the review closed.

Sincerely,

Peter J. Leege

Financial Specialist

Division of Water, Compliance, and Consumer Affairs

PJL:W:\COMPL\LEEGE\2410 ar/ssa

Faxed another copy of above letter to Loretta Pleshak on 7/27/99. PJL

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sales of Water		
Sales of Water (460-467)	26,443	1
Total Sales of Water	26,443	
Other Operating Revenues		
Forfeited Discounts (470)	217	2
Other Water Revenues (474)	456	3
Amortization of Construction Grants (475)	0	4
Total Other Operating Revenues	673	
Total Operating Revenues	27,116	
Operation and Maintenance Expenses		
Plant Operation and Maintenance Expenses (600-660)	16,007	5
General Operating Expenses (680-690)	10,760	6
Total Operation and Maintenance Expenses	26,767	
Other Operating Expenses		
Depreciation Expense (403)	3,615	7
Amortization Expense (404)		8
Taxes (408)	3,942	9
Total Other Operating Expenses	7,557	
Total Operating Expenses	34,324	
NET OPERATING INCOME	(7,208)	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Bulk sales should be account 460.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	197	8,611	13,560	4
Commercial	26	2,779	3,807	5
Industrial	2	195	303	6
Total Metered Sales to General Customers (461)	225	11,585	17,670	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		7,500	8
Other Sales to Public Authorities (464)	2	990	840	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)	4	92	433	12
Total Sales of Water	232	12,667	26,443	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1)	7,500	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	7,500	
Forfeited Discounts (470):		
Customer late payment charges	217	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	217	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	351	7
Other (specify):		
HOOK-UPS	105	8
Total Other Water Revenues (474)	456	
Amortization of Construction Grants (475):		
NONE		9
Total Amortization of Construction Grants (475)	0	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
PLANT OPERATION AND MAINTENANCE EXPENSES		
Salaries and Wages (600)	6,841	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	3,056	3
Chemicals (630)	160	4
Supplies and Expenses (640)	1,717	5
Repairs of Water Plant (650)	4,233	6
Transportation Expenses (660)		7
Total Plant Operation and Maintenance Expenses	16,007	
GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	5,553	8
Office Supplies and Expenses (681)	1,780	9
Outside Services Employed (682)	716	10
Insurance Expense (684)	383	11
Employees Pensions and Benefits (686)	2,328	12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)		14
Uncollectible Accounts (690)		15
Total General Operating Expenses	10,760	
Total Operation and Maintenance Expenses	26,767	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Property Tax Equivalent	PSC PRESCRIBED FORMULA	3,021	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		103	2
Net property tax equivalent		2,918	
Social Security	BASED ON WAGES	963	3
PSC Remainder Assessment		61	4
Other (specify): NONE			5
Total tax expense		3,942	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service, property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.069(1)(c). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Shawano				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.265856				3
County tax rate	mills		7.763652				4
Local tax rate	mills		0.875143				5
School tax rate	mills		12.438329				6
Voc. school tax rate	mills		1.667879				7
Other tax rate - Local	mills						8
Other tax rate - Non-Local	mills						9
Total tax rate	mills		23.010859				10
Less: state credit	mills		2.387327				11
Net tax rate	mills		20.623532				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		0.875143				14
Combined School Tax Rate	mills		14.106208				15
Other Tax Rate - Local	mills						16
Total Local & School Tax	mills		14.981351				17
Total Tax Rate	mills		23.010859				18
Ratio of Local and School Tax to Total	dec.		0.651056				19
Total tax net of state credit	mills		20.623532				20
Net Local and School Tax Rate	mills		13.427068				21
Utility Plant, Jan. 1	\$	204,066	204,066				22
Materials & Supplies	\$	896	896				23
Subtotal	\$	204,962	204,962				24
Less: Plant Outside Limits	\$	0					25
Taxable Assets	\$	204,962	204,962				26
Assessment Ratio	dec.		0.748039				27
Assessed Value	\$	153,320	153,320				28
Net Local & School Rate	mills		13.427068				29
Tax Equiv. Computed for Current Year	\$	2,059	2,059				30
Tax Equivalent per 1994 PSC Report	\$	3,021					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	3,021					34

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	500		1
Franchises and Consents (302)			2
Miscellaneous Intangible Plant (303)			3
Total Intangible Plant	500	0	
 SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			4
Structures and Improvements (311)			5
Collecting and Impounding Reservoirs (312)			6
Lake, River and Other Intakes (313)			7
Wells and Springs (314)	20,366		8
Infiltration Galleries and Tunnels (315)			9
Supply Mains (316)			10
Other Water Source Plant (317)			11
Total Source of Supply Plant	20,366	0	
 PUMPING PLANT			
Land and Land Rights (320)			12
Structures and Improvements (321)	7,917		13
Boiler Plant Equipment (322)			14
Other Power Production Equipment (323)			15
Steam Pumping Equipment (324)			16
Electric Pumping Equipment (325)	7,013	4,266	17
Diesel Pumping Equipment (326)			18
Hydraulic Pumping Equipment (327)			19
Other Pumping Equipment (328)			20
Total Pumping Plant	14,930	4,266	
 WATER TREATMENT PLANT			
Land and Land Rights (330)			21
Structures and Improvements (331)			22
Water Treatment Equipment (332)	520		23
Total Water Treatment Plant	520	0	
 TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	500		24
Structures and Improvements (341)			25

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			500	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	500	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			20,366	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	20,366	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			7,917	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			11,279	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	19,196	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			520	23
Total Water Treatment Plant	0	0	520	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			500	24
Structures and Improvements (341)			0	25

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)
TRANSMISSION AND DISTRIBUTION PLANT		
Distribution Reservoirs and Standpipes (342)	16,294	26
Transmission and Distribution Mains (343)	89,795	27
Fire Mains (344)		28
Services (345)	25,383	29
Meters (346)	20,447	30
Hydrants (348)	13,420	31
Other Transmission and Distribution Plant (349)		32
Total Transmission and Distribution Plant	165,839	0
GENERAL PLANT		
Land and Land Rights (370)		33
Structures and Improvements (371)	262	34
Office Furniture and Equipment (372)	758	35
Computer Equipment (372.1)		36
Transportation Equipment (373)		37
Other General Equipment (379)	892	38
Other Tangible Property (390)		39
Total General Plant	1,912	0
Total utility plant in service directly assignable	204,067	4,266
Common Utility Plant Allocated to Water Department		40
Total utility plant in service	204,067	4,266

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)			16,294 26
Transmission and Distribution Mains (343)			89,795 27
Fire Mains (344)			0 28
Services (345)			25,383 29
Meters (346)			20,447 30
Hydrants (348)			13,420 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	0	165,839
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			262 34
Office Furniture and Equipment (372)			758 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)		1,495	2,387 38
Other Tangible Property (390)			0 39
Total General Plant	0	1,495	3,407
Total utility plant in service directly assignable	0	1,495	209,828
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	1,495	209,828

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			1,481	1,481	1
February			1,145	1,145	2
March			1,227	1,227	3
April			1,024	1,024	4
May			1,091	1,091	5
June			1,218	1,218	6
July			1,520	1,520	7
August			1,162	1,162	8
September			917	917	9
October			885	885	10
November			1,030	1,030	11
December			1,180	1,180	12
Total for year	0	0	13,880	13,880	
Less: Measured or estimated water used in main flushing and water treatment during year					13
Less: Other utility use					14
Other utility use explanation:					15
Water pumped into distribution system				13,880	16
Less: Water sold				12,667	17
Losses and unaccounted for				1,213	18
Percent unaccounted for to the nearest whole percent (%)				9%	19
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					20
Maximum gallons pumped by all methods in any one day during reporting year				60	21
Date of maximum: 6/24/1997					22
Cause of maximum:					23
Minimum gallons pumped by all methods in any one day during reporting year				3	24
Date of minimum: 1/21/1997					25
Total KWH used for pumping for the year				46,653	26
If water is purchased: Vendor Name:					27
Point of Delivery:					28

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
1276 MAIN STREET	1	102	6	21,600	Yes	1
1490 MAIN STREET	2	420	6	40,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	BLANK	OTHER		1
Location	WELL 1	WELL 2		2
Purpose	P	P		3
Destination	D	D		4
Pump Manufacturer	PLEUGER	GOULDS		5
Year Installed	1982	1996		6
Type	VERTICAL TURBINE	VERTICAL TURBINE		7
Actual Capacity (gpm)	1	1		8
Pump Motor or Standby Engine Mfr	CUTLER HAMMER	WESTINGHOUSE		10
Year Installed	1976	1955		11
Type	ELECTRIC	ELECTRIC		12
Horsepower	15	5		13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22
Year Installed				23
Type				24
Horsepower				25
				26

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	1		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2 3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		4 5
Year constructed	1955		6
Primary material (earthen, steel, concrete, other)	STEEL		7 8
Elevation difference in feet (See Headnote 3.)	78		9 10
Total capacity in gallons	100,000		11
WATER TREATMENT PLANT			12
Disinfection, type of equipment (gas, liquid, powder, other)	OTHER		13 14
Points of application (wellhouse, central facilities, booster station, other)	OTHER		15 16 17
Filters, type (gravity, pressure, other, none)	NONE		18 19
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	1.0000		20 21 22
Is a corrosion control chemical used (yes, no)?	N		23 24
Is water fluoridated (yes, no)?	N		25

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

			Number of Feet					
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
P	D	2.000	340				340	1
A	D	4.000	454				454	2
M	D	4.000	200				200	3
A	D	6.000	17,574			(160)	17,414	4
M	S	6.000	0			160	160	5
P	D	6.000	917				917	6
A	D	8.000	3,165			(380)	2,785	7
M	T	8.000	0			380	380	8
Total Within Municipality			22,650	0	0	0	22,650	
Total Utility			22,650	0	0	0	22,650	

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	217				217	3	1
P	0.750	8				8		2
M	1.000	7				7		3
M	1.500	2				2		4
M	2.000	2				2		5
Total Utility		236	0	0	0	236	3	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	233	12			245		1
1.000	11				11		2
1.250	1				1		3
1.500	5				5		4
2.000	4				4		5
2.500	1				1		6
3.000	1				1		7
Total:	256	12	0	0	268	0	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	197	20	1	1	2	24	245	1
1.000	1	2	1		3	4	11	2
1.250						1	1	3
1.500		3			1	1	5	4
2.000		1		1		2	4	5
2.500					1		1	6
3.000						1	1	7
Total:	198	26	2	2	7	33	268	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality					0	1
Within Municipality	38				38	2
Total Fire Hydrants	38	0	0	0	38	
Flushing Hydrants						
	3				3	3
Total Flushing Hydrants	3	0	0	0	3	

Wis. Admin. Code § 185.87 requires that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Report the number operated during the year

Number of hydrants operated during year:	10
Number of distribution system valves end of year:	31
Number of distribution valves operated during year:	10

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

Account 640 - Expense is down in 1997. There was more lab expense in 1996.

Water Utility Plant in Service (Page W-08)

Account 325 - Addition of \$4,266 - new motor

Account 379 - adjustment is a reclassification from sewer utility plant.

SEWER OPERATING REVENUES & EXPENSES

Particulars (a)	Amounts (b)	
Operating Revenues		
Sewage Operating Revenues		
Sewage Operating Revenues (621-626)	73,007	1
Total Sewage Operating Revenues	73,007	
Other Operating Revenues		
Forfeited Discounts (631)	586	2
Servicing of Customers Laterals (632)	120	3
Sale of Fertilizer (633)	0	4
Rent from Sewerage Properties (634)	200	5
Miscellaneous Operating Revenues (635)	2,000	6
Amortization of Construction Grants (636)	0	7
Total Other Operating Revenues	2,906	
Total Operating Revenues	75,913	
Operation and Maintenance Expenses		
Operation Expenses (820-829)	26,769	8
Maintenance Expenses (831-834)	2,673	9
Customer Accounting & Collection Expenses (840-843)	5,333	10
Administrative and General Expenses (850-857)	4,639	11
Total Operation and Maintenance Expenses	39,414	
Other Operating Expenses		
Depreciation Expense (403)	22,042	12
Amortization Expense (404)		13
Taxes (408)	1,375	14
Total Other Operating Expenses	23,417	
Total Operating Expenses	62,831	
NET OPERATING INCOME	13,082	

SEWAGE OPERATING REVENUES

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for flat rate service.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. In the gallons column, report metered water or sewage used as the basis in determining customer bills.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons Billed (c)	Amounts (d)	
Operating Revenues				
Sewage Operating Revenues				
Flat Rate Service to General Customers (621)				
Residential Revenues				1
Commercial Revenues				2
Industrial Revenues				3
Revenues from Public Authorities				4
Total Flat Rate Service to General Customers (621)	0	0	0	
Measured Service to General Customers (622)				
Residential Revenues	197	8,611	51,831	5
Commercial Revenues	26	2,779	14,877	6
Industrial Revenues	2	195	1,054	7
Revenues from Public Authorities	2	990	4,690	8
Total Measured Service to General Customers (622)	227	12,575	72,452	
Service to Public Authorities (623)				9
Service to Other Systems (624)				10
Other Sewerage Service (625)				11
Interdepartmental Service (626)	4	92	555	12
Total Sewage Operating Revenues	231	12,667	73,007	

HIGH STRENGTH CONTRIBUTORS

1. High strength contributor is one with waste stronger than 250 mg/l for B.O.D. or 250 mg/l for suspended solids or 10 mg/l for phosphorus.
2. If domestic strength limits for BOD, SS and Phos. used for rate purposes are different from the levels indicated, please note the limits used in the spaces available.
3. The units "mg/l" are now used in place of the equivalent "ppm."
4. List type, volume, strength.

Type (a)	Volume Annual Gallons (000's) (b)	BOD (mg/l) (c)	SS (mg/l) (d)	Phos (mg/l) (e)
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NONE

OTHER OPERATING REVENUES (SEWER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$2,000 and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Customers Forfeited Discounts (631):		
BLANK	586	1
Total Customers Forfeited Discounts (631)	586	
Servicing of Customers Laterals (632):		
BLANK	120	2
Total Servicing of Customers Laterals (632)	120	
Sale of Fertilizer (633):		
NONE		3
Total Sale of Fertilizer (633)	0	
Rent from Sewerage Property (634):		
BLANK	200	4
Total Rent from Sewerage Property (634)	200	
Miscellaneous Operating Revenues (635):		
SANITARY BENEFIT CHARGE	2,000	5
Total Miscellaneous Operating Revenues (635)	2,000	
Amortization of Construction Grants (636):		
NONE		6
Total Amortization of Construction Grants (636)	0	

SEWER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
OPERATION EXPENSES		
Supervision and Labor (820)	10,310	1
Power and Fuel for Pumping (821)	10,533	2
Power and Fuel for Aeration Equipment (822)		3
Chlorine (823)		4
Phosphorous Removal Chemicals (824)		5
Sludge Conditioning Chemicals (825)		6
Other Chemicals for Sewage Treatment (826)		7
Other Operating Supplies and Expenses (827)	5,926	8
Transportation Expenses (828)		9
Rents (829)		10
Total Operation Expenses	26,769	
MAINTENANCE EXPENSES		
Maintenance of Sewage Collection System (831)	481	11
Maintenance of Collection System Pumping Equipment (832)		12
Maintenance of Treatment and Disposal Plant Equipment (833)	2,192	13
Maintenance of General Plant Structures and Equipment (834)		14
Total Maintenance Expenses	2,673	
CUSTOMER ACCOUNTING & COLLECTION EXPENSES		
Billing, Collecting and Accounting (840)	4,469	15
Flat Rate Inspections (841)		16
Meter Reading (842)	864	17
Uncollectible Accounts (843)		18
Total Customer Accounting & Collection Expenses	5,333	
ADMINISTRATIVE AND GENERAL EXPENSES		
Administrative and General Salaries (850)	105	19
Office Supplies and Expenses (851)	157	20
Outside Services Employed (852)	716	21
Insurance Expense (853)	419	22
Employees Pensions and Benefits (854)	2,890	23

SEWER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
ADMINISTRATIVE AND GENERAL EXPENSES		
Regulatory Commission Expenses (855)		24
Miscellaneous General Expenses (856)	352	25
Rents (857)		26
Total Administrative and General Expenses	4,639	
Total Operation and Maintenance Expenses	39,414	

TAXES (ACCT. 408 - SEWER)

When allocation of taxes is made between departments, explain method used.
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Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Social Security	BASED ON WAGES	1,211	1
Local and School Tax Equivalent on Meters Charged by Water Department	PSC PRESCRIBED FORMULA	103	2
PSC Remainder Assessment		61	3
Other (specify): NONE			4
Total tax expense		1,375	

SEWER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	558		1
Franchises and Consents (302)			2
Miscellaneous Intangible Plant (303)			3
Total Intangible Plant	558	0	
COLLECTION SYSTEM			
Land and Land Rights (310)	1,003		4
Structures and Improvements (311)			5
Service Connections, Traps, and Accessories (312)	29,145		6
Collecting Mains and Accessories (313)	133,497		7
Interceptor Mains and Accessories (314)			8
Force Mains (315)	183,561		9
Other Collecting System Equipment (316)			10
Total Collection System	347,206	0	
COLLECTION SYSTEM PUMPING INSTALLATIONS			
Land and Land Rights (320)			11
Structures and Improvements (321)			12
Receiving Wells (322)	6,558		13
Electric Pumping Equipment (323)	35,330		14
Other Power Pumping Equipment (324)	48,940		15
Miscellaneous Pumping Equipment (325)			16
Total Collection System Pumping Installations	90,828	0	
TREATMENT AND DISPOSAL PLANT			
Land and Land Rights (330)	3,956		17
Structures and Improvements (331)	177,679		18
Preliminary Treatment Equipment (332)			19
Primary Treatment Equipment (333)			20
Secondary Treatment Equipment (334)	75,173		21
Advanced Treatment Equipment (335)			22
Chlorination Equipment (336)	13,046		23
Sludge Treatment and Disposal Equipment (337)	2,388		24
Plant Site Piping (338)	19,604		25
Flow Metering and Monitoring Equipment (339)	7,717		26
Outfall Sewer Pipes (340)	127,075		27

SEWER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			558	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	558	
COLLECTION SYSTEM				
Land and Land Rights (310)			1,003	4
Structures and Improvements (311)			0	5
Service Connections, Traps, and Accessories (312)			29,145	6
Collecting Mains and Accessories (313)			133,497	7
Interceptor Mains and Accessories (314)			0	8
Force Mains (315)			183,561	9
Other Collecting System Equipment (316)			0	10
Total Collection System	0	0	347,206	
COLLECTION SYSTEM PUMPING INSTALLATIONS				
Land and Land Rights (320)			0	11
Structures and Improvements (321)			0	12
Receiving Wells (322)			6,558	13
Electric Pumping Equipment (323)			35,330	14
Other Power Pumping Equipment (324)			48,940	15
Miscellaneous Pumping Equipment (325)			0	16
Total Collection System Pumping Installations	0	0	90,828	
TREATMENT AND DISPOSAL PLANT				
Land and Land Rights (330)			3,956	17
Structures and Improvements (331)			177,679	18
Preliminary Treatment Equipment (332)			0	19
Primary Treatment Equipment (333)			0	20
Secondary Treatment Equipment (334)			75,173	21
Advanced Treatment Equipment (335)			0	22
Chlorination Equipment (336)			13,046	23
Sludge Treatment and Disposal Equipment (337)			2,388	24
Plant Site Piping (338)			19,604	25
Flow Metering and Monitoring Equipment (339)			7,717	26
Outfall Sewer Pipes (340)			127,075	27

SEWER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TREATMENT AND DISPOSAL PLANT			
Other Treatment and Disposal Plant Equipment (341)			28
Total Treatment and Disposal Plant	426,638	0	
GENERAL PLANT			
Land and Land Rights (370)			29
Structures and Improvements (371)			30
Office Furniture and Equipment (372)	1,145		31
Computer Equipment (372.1)			32
Transportation Equipment (373)			33
Other General Equipment (379)	17,661		34
Other Tangible Property (390)			35
Total General Plant	18,806	0	
Total utility plant in service directly assignable	884,036	0	
Common Utility Plant Allocated to Sewer Department			36
Total utility plant in service	884,036	0	
Common Other Utility Plant Allocated to Sewer Department			37
Total utility plant	884,036	0	

SEWER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TREATMENT AND DISPOSAL PLANT			
Other Treatment and Disposal Plant Equipment (341)			0 28
Total Treatment and Disposal Plant	0	0	426,638
GENERAL PLANT			
Land and Land Rights (370)			0 29
Structures and Improvements (371)			0 30
Office Furniture and Equipment (372)			1,145 31
Computer Equipment (372.1)			0 32
Transportation Equipment (373)			0 33
Other General Equipment (379)		(1,495)	16,166 34
Other Tangible Property (390)			0 35
Total General Plant	0	(1,495)	17,311
Total utility plant in service directly assignable	0	(1,495)	882,541
Common Utility Plant Allocated to Sewer Department			0 36
Total utility plant in service	0	(1,495)	882,541
Common Other Utility Plant Allocated to Sewer Department			0 37
Total utility plant	0	(1,495)	882,541

SEWER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily disconnected or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by diameter; pipe materials do not need to be specified.

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
Sewer	4.000	252				252		1
Total Utility		252	0	0	0	252	0	

SEWER MAINS

1. Report mains separately by diameter. Pipe materials do not need to be specified.
2. Explain all reported adjustments as a schedule footnote.
3. For main additions reported in column (c), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

Number of Feet					
Diameter in Inches (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)
4.000	120				120
6.000	340				340
8.000	19,767				19,767
10.000	1,977				1,977
Total Utility	22,204	0	0	0	22,204

1

2

3

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SEWER OPERATING SECTION FOOTNOTES

Sewer Operation & Maintenance Expenses (Page S-05)

Account 827 - Expense is down in 1997. More supplies were purchased in 1996 and charged to expense.

Sewer Utility Plant in Service (Page S-07)

Account 379 - Reclassified to water utility plant.
